Gold policy

2937. SHRI R. KAMARAJ: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is true that the Government is considering to announce a user-friendly gold policy;

(b) if so, the details thereof,

(c) whether it is true that the proposed policy would facilitate mutual funds to invest in gold; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) to (d) Yes, Sir. A Committee to examine the regulatory structure of the Gold Industry to make India a gold trading hub has been constituted by the Ministry of Commerce.

The committee has following terms of reference:

(i) Improving the scope of measures to be undertaken to facilitate banks to hedge in future markets on Gold.

(ii) Recommend measures to facilitate Mutual Funds to invest in gold.

(iii) Recommend measures to improve the ability of the banks to implement Gold-Linked Saving Scheme.

Civ) Recommend appropriate customs and foreign trade measures that are required to be undertaken to facilitate manufacturing to ensure quality of the goods being traded.

The findings of the Committee are expected to improve the prospects of gold trade in the country.

Approvals granted for FDI

2938. SHRI T.T.V. DHINAKARAN: With the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the number of approvals granted for Foreign Direct Investment during the last three years, State-wise;

(b) the sector-wise break up of FDI investment;

(c) the sections which are not preferred by foreign investors; and

(d) the steps taken by Government to attract investment in such sectors particularly in the rural areas?

THE MINISTER OF STATE IN MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN) (a) the Government has put in place a liberal policy on Foreign Direct Investment (FDI) wherein FDI up to 100% is allowed under the automatic route for most sectors/activities. Statement showing State-wise approvals granted for Foreign Direct Investment (FDI) from January, 2002 to December, 2004 is in the enclosed Statement-I (See below).

(b) Sector-wise break-up of FDI inflows from January, 2002 to December, 2004 is in the enclosed Statement-ll (See below).

(c) and(d) Under the liberalised economic environment, investment decisions are taken by the entrepreneurs based on their commercial judgement and various other factors both external and internal. Besides the macro-economic environment in the host economy, global economic environment, corporate strategy of the transnational corporations, and economic situation in other FDI destinations play a major role. Policy initiatives of the Government, including the policy on Foreign Direct Investment, are aimed at pormoting modernisation and technological upgradation, productivity and efficiency with a view to increasing industrial production and enhancing export competitiveness.

Statement-I

State-wise break-up for FDI approved from January, 2002 to December 2004

(Amount in Rs. crore)

Sl	State	No. of Approvals		Amount of FDI Approved	
		Total	Technical	Financial	
1	2	3	4	5	6
1.	Andhra Pradesh	367	39	328	1803.79
2.	Assam	2	2	0	0.00

1 2	3	4	5	6
3. Bihar	3	0	3	0.18
4 Gujarat	220	72	157	2887.37
5. Haryana	131	44	87	672.20
6. Himachal Pradesh	9	4	5	863.55
7. Karnataka	858	70	788	3895.66
8. Kerala	93	10	83	300.76
9. Madhya Pradesh	21	3	18	110.70
10. Maharashtra	1403	204	1199	5134.60
11. Manipur	1	0	1	0.00
12. Meghalaya	1	0	1	0.00
13. Orissa	5	1	4	0.31
14. Punjab	28	8	20	1072.72
15. Rajasthan	34	4	30	390.42
16. Tamil Nadu	683	100	583	1784.52
17. Tripura *	2	0	2	2.41
18. Uttar Pradesh	94	19	75	293.45
19. West Bengal	125	9	116	674.74
20. Chhattisgarh	4	2	2	3.56
21. Jharkhand	9	6	3	2.70
22. Uttaranchal	4	2	2	0.00
23. Chandigarh	43	3	40	177.21
24. Dadra & Nagar Haveli	2	2	0	2.00
25. Delhi	1078	107	971	2847.26
26. Goa	120	11	109	119.79
27. Pondicherry	21	3	18	45.20
28. Daman & Diu	5	1	4	3.81
29. Others (State not indicated)	317	17	300	2129.03
GRAND TOTAL	5,692	743	4,949	25,215.94

Statement-II

Sector-wise Break-up for FDI inflows from January, 2002 to December, 2004

SI. No.	Sector	Amount of FDI Inflows
1	2	3
		(in rupees crore)
1.	Metallurgical Industries	1213.39
2.	Fuels (power & oil refinery)	4565.50
3.	Boilers and Steam Generating Plants	0.20
4.	Prime Movers other than Electrical	0.25
5.	Electricals Equipment (including computer software & electronics)	8512.53
6.	Telecommunications	2245.11
7.	Transportation Industry	4444.00
8.	Industrial Machinery	168.93
9.	Machine Tools	369.36
10.	Agriculture Machinery	69.79
11.	Earth-moving Machinery	66.64
12.	Miscellaneous Mechanical & Engineering	396.11
13.	Commercial, Office & Household Equipement	72.56
14.	Medical and Surgical Appliances	150.58
15.	Industrial instruments	15.31
16.	Scientific Instruments	1.13
17.	Mathematical, Surveying and Drawing	0.02
18.	Fertilizers	239.82
19.	Chemicals (others than Fertilizers)	1732.58

1 2	3
20. Photographic Raw Film and Paper	5.37
21. Dye-Stuffs	8.29
22. Drugs and Pharmaceuticals	2101.49
23. Textiles (Includ. dyed, Printed)	482.69
24. Paper and Pulp including Paper Product	105.79
25. Sugar	32.84
26. Fermentation Industries	80.69
27. Food Processing Industries	1623.61
28. Vegetable Oils and Vanaspati	32.69
29. Soaps, Cosmetics and Toilet Preparations	4.09
30. Rubber Goods	506.77
31. Leather, Leather goods and Pickers	34.56
32. Glue and Gelatin	29.58
33. Glass	278.63
34. Ceramics	128.81
35. Cement and Gypsum Products	155.12
36. Timber Products	0.77
37. Consultancy Services	1532.68
38. Service Sector	4079.08
39. Hotel& Tourism	635.93
46. Trading	333.78
41. Miscellaneous Industries	4011.70
42. Advance of Inflow	6343.03
43. Stock Swapped	256.50
44. NRI RBI Schemes	11.08
GRAND TOTAL	47,079.33